

# CITY OF TACOMA

# COVID-19 Stabilization Loan

## What is the COVID-19 Business Loan?

Due to the negative economic impact COVID-19 and mandatory shutdowns are having on small businesses, the City of Tacoma will be offering small loans that require no repayment for a year. Loan payments will be deferred for 12 months after loan closing. This means that if your business is approved for a loan and we close in April 2020, you will not have to make any monthly payments until April 2021. During that time, interest will accrue on the loan.

## How much can I borrow?

You may borrow up to \$15,000.

## Who qualifies?

Only small businesses with less than 10 employees who have a physical establishment within Tacoma City limits are eligible to apply. The business must have been **operating in Tacoma for at least a year**. The business must be able to document a significant loss in revenue/sales due to COVID-19.

## How can I use the funds?

Working capital.

## Are equity and collateral required?

Lack of equity and collateral will not disqualify a business from being eligible for this loan. Equity and collateral requirements will vary based on the assets, and net worth of the business and borrower.

## What are the terms?

5-year amortization period at a fixed interest rate of 75% of prime rate. No pre-payment penalties.

## How do I apply?

Please visit: [Makeittacoma.com](http://Makeittacoma.com)

There is no cost to apply.

## For questions email:

[covid19loan@cityoftacoma.org](mailto:covid19loan@cityoftacoma.org)

